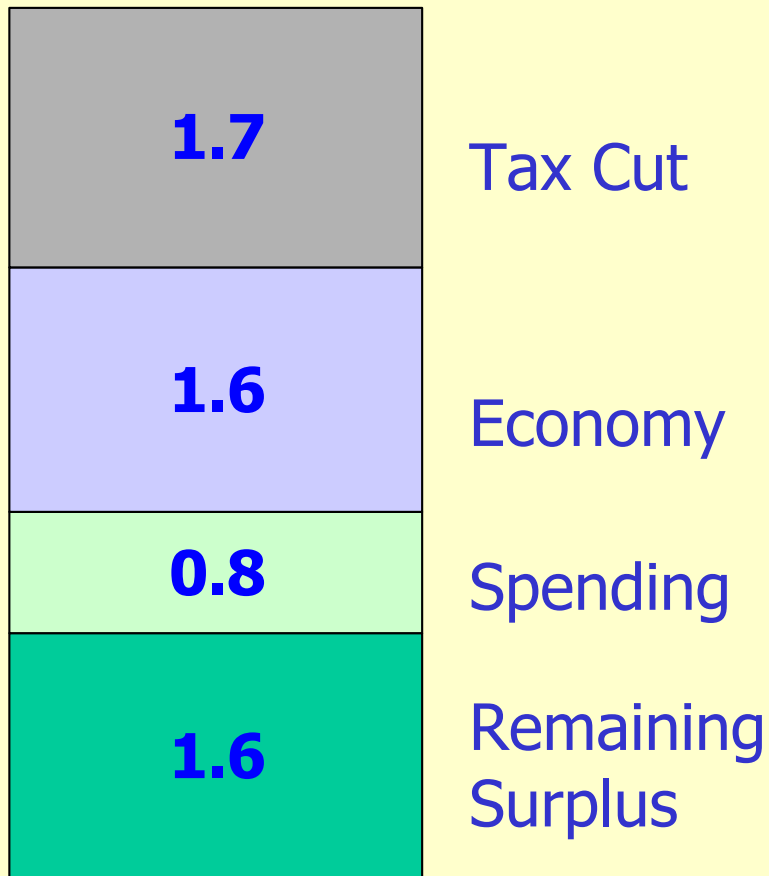


Surplus Estimates Drop Sharply

From \$5.6 Trillion Last January to \$1.6 Trillion This January



- We intended to tighten the budget last year—the reason for tax cuts
- Could not anticipate the \$2.1 trillion budget impact of triple threat
 - War
 - Recession
 - National Emergency

2002-2011 Total (Trillions)